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January 6, 2009

418
ConocoPhillips
San Juan Business Unit
P.O. Box 4289
Farmington, NM 87499-4289

Bureau of Land Management
Farmington Resource Area
Attn: Mr. Wayne Townsend
1235 La Plata Highway
Farmington, NM 87401

State of New Mexico
Commissioner of Public Lands
Attn: Mr. Pete Martinez
P.O. Box 1148
Santa Fe, NM 87504-1148

New Mexico Oil Conservation Division
Energy Minerals & Natural Resources
Attn: Ms. Lori Wrotenbery
1220 S. Saint Francis Drive
Santa Fe, NM 87505-4000

RE: San Juan 29-5 Unit (#14-08-001-437)
Commercial Determination
Fruitland Coal Formation
Rio Arriba County, New Mexico

Gentlemen:

Pursuant to the provisions of Section 11(a) of the San Juan 29-5 Unit Agreement, #14-08-001-437, approved, September 8, 1952, ConocoPhillips Company, as Operator, has determined that the well listed below is not capable of producing unitized substances in paying quantities from the Fruitland Coal formation. ConocoPhillips is seeking confirmation of the well determination enclosed.

Well Name	Dedication	Lease No.	Completion Date	Determination
SJ 29-5 Unit #26A	W/2 Sec.18-29N-5W	SF-078277	10-4-04	Non-Commercial

Upon confirmation from the Bureau of Land Management and concurring responses from the Commissioner of Public Lands and New Mexico Oil Conservation Division, this well should continue to be reported to Communitization Agreement NMNM 117655, which I believe has been terminated in error.

Copies of this letter and enclosures are being sent to the working interest owners on the attached sheet. If you have any questions or need any additional information, please contact the undersigned at (505) 599-4030.

Sincerely,

Dawn Howell
Staff Land Technician

SJ 29-5 Unit 4.5

BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-5 UNIT 26A

WELL INFORMATION

LEASE	SAN JUAN 29-5 UNIT 26A
LOCATION	18029N005W
COUNTY, STATE	RIO ARriba, New Mexico
FORMATION	FRUITLAND COAL
PROJECT TYPE	NEWDRILL
WELL TYPE	GAS WELL
OPERATOR	CONOCOPHILLIPS COMPANY
SPUD DATE	8/30/2004
COMP DATE	10/4/2004
1ST DELIVERY	10/25/2004
COMM GWI %	100.00
COMM NRI %	87.50
BOARD RATE %	10.00

PRODUCTION TAXES

TAXES FOR: RIO ARRIBA, New Mexico
2003 - 2004 Commerciality

GAS % OF REVENUE

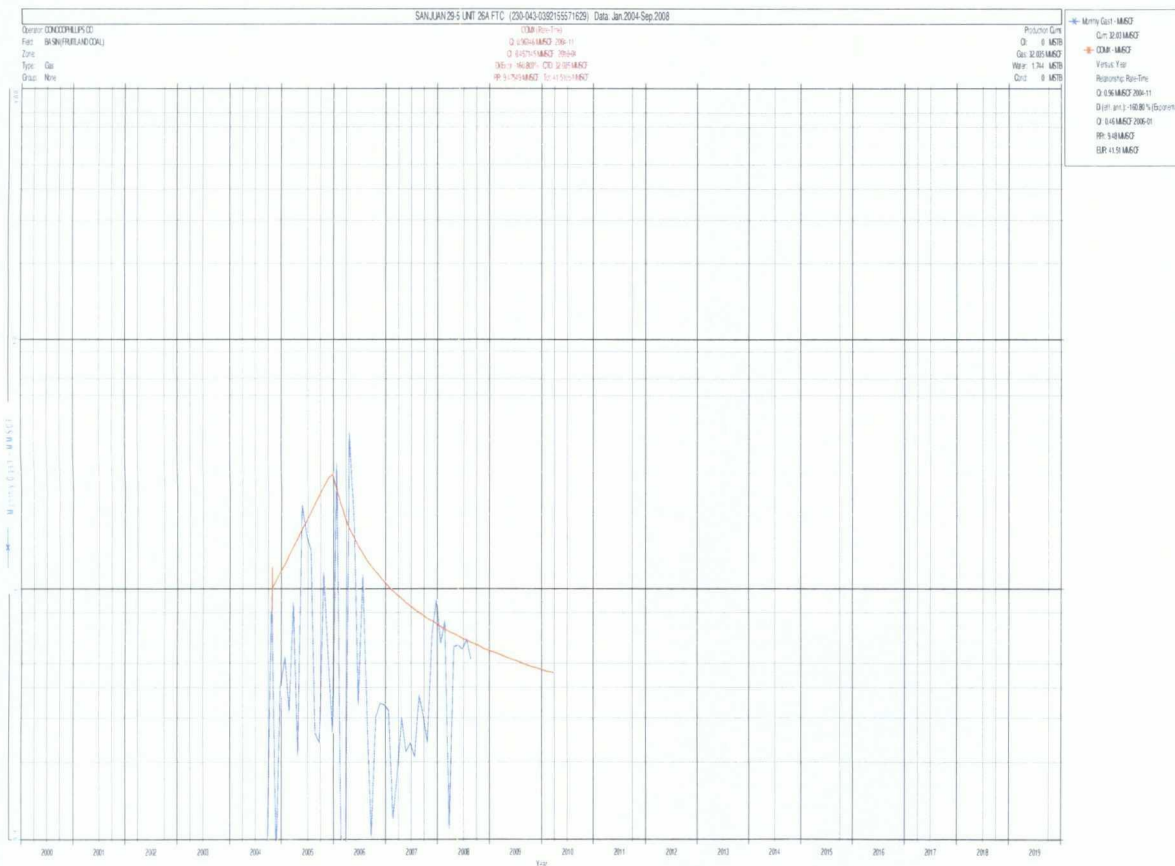
SEVERANCE:	
Severance, School, Conservation	7.93
AD VALOREM:	
Production, Equipment	1.40
TOTAL %:	9.33

AVERAGE HEAT CONTENT

1,000 MMBtu / Mcf

WELL COST AND ECONOMICS

761.00	M\$	AVERAGE WELL COST
41.41	MMCF	ULT. GROSS GAS RESERVES
17.48	MCFD	INITIAL GAS RATE
0.00	%	RATE OF RETURN
-0.96	\$/\$	P/I, DISC. @ 10.00 %
-731.38	M\$	NET PRESENT VALUE, DISC. @ 10.00 %
0.00	YRS	PAYOUT



BURLINGTON RESOURCES
COMMERCIALITY DETERMINATION
BLM DATA SHEET
SAN JUAN 29-5 UNIT 26A

CASH FLOW SUMMARY

Date	Gas1 Rate	Gas1 Volume	Net Gas Volume	Net Cond Volume	Net Oth Volume	Gas1 Price	Gas Price	Cond Price	Oth Price	Net Revenue	Prod Taxes	Total Opcosts	Total Oper Inc	Total Capital	Total BT Cash
	mcf/d	MMSCF	MMSCF	MSTB	MSTB	\$/MMBTU	\$/mcf	\$/Bbl	\$/Bbl	M\$	M\$	M\$	M\$	M\$	M\$
2004(12)	17.5	1.1	0.75	0.00	0.04	4.86	4.86	35.51	22.66	4.4	0.46	3.83	0.15	761.00	-760.85
2005(12)	26.8	9.8	6.89	0.00	0.36	4.86	4.86	35.51	22.66	40.7	4.20	22.99	13.47	0.00	13.47
2006(12)	33.9	12.4	8.72	0.00	0.46	4.86	4.86	35.51	22.66	51.5	5.32	22.99	23.17	0.00	23.17
2007(12)	9.6	3.5	2.48	0.00	0.13	4.86	4.86	35.51	22.66	14.6	1.51	22.99	-9.89	0.00	-9.89
2008(12)	19.1	7.0	4.92	0.00	0.26	4.86	4.86	35.51	22.66	29.1	3.01	22.99	3.08	0.00	3.08
2009(12)	17.6	4.3	3.01	0.00	0.16	4.86	4.86	35.51	22.66	17.8	1.84	15.33	0.62	0.00	0.62
Total	---	38.0	26.77	0.00	1.41	---	---	---	---	158.1	16.34	111.13	30.61	761.00	-730.39

**SAN JUAN 29-5 UNIT
FRUITLAND FORMATION
WORKING INTEREST OWNERS**

Burlington Resources Oil & Gas Co, LP

Phillips New Mexico Partners, L.P.

Phillips San Juan LTD Partnership

San Juan Partnership

Williams Production Company